

INSURANCE INQUIRY

State Superintendent Hendricks
on the Stand

GAVE LITTLE INFORMATION

Investigations Into Companies Evidently
Were Not Thorough

Examinations by His Department are Made to Ascertain Only the Solvency of the Companies—The State Superintendent Declares That He Knows Little or Nothing About the Various Examinations—More Information Furnished to Prussia Than to the New York State Department—Chief Examiner Vanderpoel Also a Witness.

New York, December 21.—Francis Hendricks, superintendent of insurance of New York state was the chief witness before the legislative committee of insurance investigation today and testified that the examinations of insurance companies by his department are made to ascertain only the solvency of the companies and that no investigation is made into the extravagance of the management of a company or into the salaries paid to officers, so long as the company is able to pay its obligations. No investigation is made into the commission's paid to agents, the system of loading on the premiums, the advancing of loans to agents, or loans to directors. The employment of kinspeople of officers in high positions is not inquired into. This has long been the custom of the department, Mr. Hendricks said, and he declared further that he personally knew little or nothing about the various examinations made, as they were entrusted to Isaac Vanderpoel, the chief examiner of the department.

While Mr. Hendricks' memory failed him as to any legislation which he had suggested as a remedy to any defects in the laws governing insurance companies, he stated that no measure that he had ever presented had ever been opposed in either house of the legislature. Neither had any bills been passed against his recommendation.

Mr. Hendricks said that his department spent last year about \$137,000 and received in fees and payments \$237,726, which was paid into the state treasury. To make examinations that would bring out such information as has been gathered by the legislative committee the witness said, would require ten more examiners, and an additional appropriation of from \$50,000 to \$60,000. He thought, however, he could get the appropriation if he asked for it.

Mr. Hendricks knew nothing of the large legal expenses of the New York Life Insurance Company, the Equitable and the Mutual Life, as they had never been called to his attention. He had never heard of the wash-sales of securities nor the year end loans of the Equitable to clerks of Kuhn, Loeb and Company, nor had these ever been brought to his attention.

Mr. Hughes asked: "Do you require the companies to present a detailed statement of their legal disbursements, showing the names of lawyers who had money and what they had for—has the department ever required that?"

"No, I don't think so."
"Now, we find information of that sort being furnished to Prussia and not to the New York state department. Here, for example, I have the statement of the legal expenses of the New York Life, for 1898, giving in detail the amounts paid, aggregating \$197,725.88, and the names of the recipients as furnished to the Prussian government. Now, did the New York state department ever have a statement like that?"

"No."
"Now, what is your practice in regard to reports that come in? Do you look them over yourself, the annual reports?"

"Not all of them, if there is anything that the statistician referred to me."
"Then they were referred to the statistician in the first instance?"

"Yes."

"What were his duties with reference to the report?"

"He examined all the reports."

"Did you look through the collateral loans?"

"I don't think so."

"Who had charge of that matter?"

"Mr. Vanderpoel."

"Did any one in the department endeavor to ascertain whether there had been any shifting of securities or temporary arrangement made which would indicate that the department report was not true?"

"No, we took the reports as they were made to me."

"Unless, then, you had an examination you would not detect whether the securities report at the end of the given year were changed in the beginning of the next year?"

"I think not without examination."

"When was it first that you learned that Kuhn, Loeb and Company, for example, were taking alleged collateral loans at the end of the year, either in their own name or in the name of their clerks, without any real loans being in existence or intended to be?"

"I have seen such a statement in the newspapers; I never learned it."
"Did you learn that in the course of your examination this year?"

"I don't think so."

Mr. Hendricks said that in making the examination of the Equitable last spring he did not have his attention called to the existence of a memorandum in lieu of cash kept by the cashier, and he was asked:

"What examination was made under your instructions to verify the cash returns of the cashier to the cash on hand?"

"Mr. Vanderpoel made it; I did not give any instructions."

"You are in the position of a superintendent who relied upon your subordinates, but in looking over your reports or the reports furnished you from time to time, was not your attention attracted to the very large amounts expended by the Equitable, by the Mutual and by the New York Life for expenses?"

"I thought they were large; I did not know what they had hid away in them."

"Have you asked during your incumbency for any information from insurance companies additional to that which was previously required?"

"I don't think so, sir."

"You haven't examined the Provident Savings Life Assurance Society during the time that you have been superintendent—why is that?"

"I can't tell. I suppose it had been until I looked at that list."

"Had it ever been brought to your attention that their gains were increased by marking up the values of their real estate?"

"No, I never examined into it."

Isaac Vanderpoel, chief examiner of the insurance department followed Mr. Hendricks and detailed what was done at an examination. He said that practically it was a comparison of the company's sworn report with the books. He had never known of wash-sales, nor of the year end loans; he had never known the salary of President McCurdy, of the Mutual, nor had he ever inquired what it was. The salaries are in one lump sum in the salary account and he had never taken steps to find out if these moneys had been paid for that purpose. The large expenditures in the supply department had never excited his curiosity, although the vouchers had been looked at at random. These were stamped with the approval of the expenditure committee and he had never questioned their legitimacy of purpose.

The vouchers for the \$25,000 payment to the chairman of the expenditure committee, he had seen but never inquired into. Mr. Vanderpoel said all examinations were conducted in this manner, that he never tried to go back of a voucher or book entry. This was a custom which had prevailed ever since he had been in the department.

Mr. Vanderpoel was on the stand when adjournment was taken until tomorrow morning.

SAIORS EXPERIENCE HARDSHIP

Crew of the Schooner Pendleton Sisters Forced Into the Riggering by the Waves—One of the Number Died From Exposure.

New York, December 21.—A 24-hour cruise with every member of the crew in the riggering in a vessel which crept a few miles along the Virginia coast line bumping on the shoals with nearly every wave was the experience of eight sailors who arrived here today. They are from the schooner Pendleton Sisters, which was bound from Port Arthur, Texas, for New York and went ashore last Thursday. Friday they were rescued by the Matamoras Life Saving station, after a struggle against cold, in which one member of the crew died. The schooner was anchored Thursday night, but the anchor broke and she went ashore. The waves drove the crew into the riggering. All night they clung there and when morning came found they were no longer off the light house near which they had gone ashore the night before. But were proceeding along the coast. On Friday the cold drove them out of the riggering. Unable to cling there any longer they slid down to the roof of the deck house. The colored cook died soon after dropping from the riggering. Late Friday the schooner's cruise ended when she stuck fast near the life saving station.

COLUMBIA UNIVERSITY

Committees Appointed to Carry Into Effect the Recommendations Made by the Council.

New York, December 21.—Columbia University's action in recommending the abolition of all inter-collegiate sports was acted upon promptly today by President Nicholas Murray Butler.

He appointed two committees to devise plans whereby the recommendations made by the University council may most speedily be accomplished. One committee consisted of faculty members and the other of alumni.

President Butler said this action did not aim to abolish college athletics at Columbia altogether, but to only abolish them in their present form in order to put athletics on a basis in which every student can participate. He said that Columbia's ultimate purpose was to encourage the widest possible participation of students in athletics.

Torture of a Preacher.

The story of the torture of Rev. O. D. Moore, pastor of the Baptist church, of Harpersville, N. Y., will interest you. He says: "I suffered agonies, because of a persistent cough, resulting from the grip. I had to sleep sitting up in bed. I tried many remedies, without relief, until I took Dr. King's New Discovery for Consumption, Coughs and Colds, which entirely cured my cough, and saved me from consumption." A grand cure for diseased conditions of Throat and Lungs. At R. R. Bellamy, druggist, price 50c and \$1.00, guaranteed. Trial bottle free.

The Russian students seem to have the advantage of the American students, all things considered. A revolution is substantially as distracting and brutal as football, and there isn't so strong a taint of professionalism about it.—Life.

Mr. W. P. Boger will spend the holidays in Morgantown.

ATTEMPT TO WRECK THE PARTY

Charges Against President Roosevelt and Governor Higgins

BY FORMER GOVERNOR ODELL

He Says They Made a Deliberate Attempt for Their Personal Ambitions. Their Harmony, He Says, Consists of "Knocking"—Charges Higgins With Duplicity.

New York, December 21.—Former Governor B. B. Odell, Jr., chairman of the Republican state committee, made a statement today in which he charged President Roosevelt and Governor Higgins with a deliberate attempt to wreck the Republican party of this state for their own personal ambitions. He declared that if disaster ensued they, not he, would be responsible.

Mr. Odell's accusations were a part of his comment on the situation growing out of the contest in the Republican party in this state for the speakership of the New York assembly. Mr. Odell declared himself in favor of E. A. Merritt, Jr., several days ago.

On Monday last, Governor Higgins came out in favor of J. W. Wadsworth, Jr. Mr. Odell said today that he had understood Governor Higgins was for Merritt and was surprised when the governor "switched his trolley." He said it was the worst case of duplicity in politics he had ever known and continued.

"I charge Mr. Roosevelt and Governor Higgins with deliberately trying to wreck the party in this state for their own personal ambitions. If this means party disaster they and not I, and my friends, are responsible. They, and not I, are to blame."

"So far as gratitude is concerned, Governor Higgins certainly owed something. Instead of putting out the hand of friendship he chooses to throw stones at those who have been his friends. Higgins could have told me that he did not want me nor Merritt to be in this affair, but instead he throws stones. If the President wanted reform I was friendly and they could have had it. I charge him and Governor Higgins with injecting their personalities into this matter. Their harmony consists of 'knocking.' I make the prediction that Wadsworth will not be elected as speaker. We will put him out."

Governor Higgins, in an interview said the President was not interfering in the speakership contest and that Odell had no authority for using his name in support of Merritt's candidacy.

ADJOURNED FOR THE HOLIDAYS

After Short Sessions Both Houses of Congress Took a Recess Until January 4th.

Washington, December 21.—After a session of a little more than an hour's duration the Senate today adjourned until January 4. Only about half of the session was legislative in character and the greater part of that time was devoted to a discussion of the regularity of the credentials of Mr. Gearin, who succeeds Mr. Mitchell as a Senator from Oregon. The credentials were accepted and Mr. Gearin was sworn in.

Washington, December 21.—There was but a ten minute session of the House today when the holiday adjournment until January 4, was taken. Two speeches, one attacking and the other defending the cotton crop estimates of the government, were to have been made, but permission was granted to print these speeches in the Record, and without extending further invitation to any member for a speech, the adjournment was declared by the speaker.

THE CRUISER CHARLESTON

Elaborate Preparations for Her Reception by the City From Which She Takes Her Name.

Washington, December 21.—Elaborate preparations are being made by the people of Charleston for the reception which that port will give to her namesake the new ten thousand ton protected cruiser Charleston, the first of her class which will visit Charleston January 9, 10 and 11, next, and will be presented with a handsome silver service by the city. Secretary Bonaparte has tentatively accepted an invitation to attend and he is anticipating making the trip in the new ship. If he goes the army will join with the navy in welcoming him to the city. Nothing definite has been decided yet about the trip and much will depend upon the disposition of several important official matters pending. After her visit to Charleston Commander Winslow will take his ship out for her final trial and will then start for the Pacific coast.

Schooner Goes Ashore.

New York, December 21.—The lumber laden schooner George F. Phillips, from Norfolk, Va., for New York, went ashore in the thick weather today off Bayhead, N. J. Her crew was rescued by the life savers whose station is near the point where the schooner grounded. Although the vessel was rolling heavily when the crew left her she was still in good condition and not in immediate danger of going to pieces.

A Fearful Fate.

It is a fearful fate to have to endure the terrible torture of Piles. "I can truthfully say," writes Harry Colson of Masonville, Ia., "that for Blind, Bleeding, Itching and Protruding Piles, Bucklen's Arnica Salve, is the best cure made." Also best for cuts, burns and injuries. 25c at R. R. Bellamy, druggist.

Miss Millie Archer will leave today to spend Christmas at her home in Chapel Hill.

TROOPS FILL CITY

Wholesale Arrests of Workmen Made

STRIKE STARTS TAMELY

Impressive Demonstration in Industrial Section of the Capital

The Workmen Seem Quiet, but Determined—Government Makes a Test of Its Ability to Run a Train to Berlin—Thousands of Men Left Their Work at Twelve O'Clock—Moscow Cut Off From St. Petersburg—No Communication With the Provinces.

St. Petersburg, December 21.—(2:10 p. m.). Since noon today the streets have been filled with troops especially those in the industrial sections. The railroad stations are in possession of the military.

Wholesale arrests of the leaders of the workmen were made last night. It is reported that the police include in their captures the members of the second workmen's council who were placed in the fortress of St. Peter and St. Paul with the members of the first council, who were arrested Saturday night. A third council however, promptly took the place of the second.

Moscow is already cut off from St. Petersburg and with the provinces generally there was no communication this morning.

According to the latest information the Lithuanian insurrection has extended into the province of Vitebsk, across the borders of Livonia. At Koken, the chief of police and his assistants were tried by a revolutionary tribunal and executed.

It turns out that Tukum was only surrounded after a severe fight which lasted for twelve hours. The insurrectionists are fortifying the town by throwing up entrenchments and by digging pits. The trenches were taken by storm, both sides losing heavily.

The latest information from Khar'kov says that 10,000 revolutionaries are under arms and that troops are being concentrated for the purpose of re-capturing the city.

The strike started here at noon very tamely. In the center of the city the shops were closed, the proprietors having received guarantees that if they remained open they would be given ample protection and that any deputations of strikers seeking by threats or force to compel the closing of the shops would be instantly arrested.

There was, however, an impressive demonstration in the industrial section. The main interest in the strike of the railroad men centered in the Warsaw station, where the government was to make a test of its ability by moving a train for Berlin. The depot was packed with troops. Promptly at noon there was wild hurrah accompanied by the roar of escaping steam and a few moments later the railroad men walked out of the yard in a body. The authorities however, were prepared and after a delay of ten minutes a locomotive manned by soldiers of a railroad battalion moved into the station and was coupled to the waiting train which was crowded with people seeking to depart from the unhappy country. Lines of soldiers with fixed bayonets flanked the train and an official with four soldiers entered the carriages and thoroughly searched them in order to ascertain if suspicious persons were on board. As the official and his escort left the train a signal was given and 20 soldiers entered the baggage cars, while another detachment was scattered through the carriages. The train then pulled out. An extra car loaded with wrecking apparatus was attached to the train to be used in case of accidents between stations. The mail car was missing. At other stations similar precautions were taken.

In the manufacturing districts beyond the Warsaw and Narva gates, in the Schusselburg district and in the sections on both sides of the Neva, the workmen generally obeyed the summons to strike and promptly at 12 o'clock thousands of them emerged to the street.

Police, Cossacks, soldiers of the guard, regiments and other patrols were everywhere, but so far a peaceful atmosphere marked the inauguration of the strike. The workmen seemed very quiet, but determined. The men of each factory selected in advance a certain number to act as pickets for the purpose of preventing any attempt to introduce strike breakers into the factories.

St. Petersburg, December 20.—(Wednesday) 6:55 p. m. The government's advice show that all the trains, with troops, which enter the Baltic provinces are being stopped by the insurgents. A number of Cossacks in a car were captured and disarmed beyond Dorpat.

The town of Tukum has been retaken from the insurgents by Russian troops.

SITUATION AT MOSCOW

Grave News of Disorders and Collision Between the Troops and the Population.

St. Petersburg, December 21.—(4:20 p. m.). The single telephone wire working to Moscow this morning brought grave news of serious disorders and collisions between the troops and the population.

The Narshadney formerly the Syn Otechestva, and other secretly published papers which are being distributed by thousands to the workmen are filled with the most inflammatory appeals inciting the people to an armed rebellion. Many of the articles are especially directed to the army, which is implored not to shed the blood of the nation. One writer addressing the soldiers said:

"Join us. Rise with us. No power can stand against the people and army united."

The strike call in addition to making the regular demand for a constituent assembly, universal suffrage, the abolition of martial law, immunity of the person and the other features of the proletariat of the programme insists on the release of the imprisoned members of the workmen's council, the discontinuance of all political suits, acquiescence with the petitions of the army and navy and of the railroad and postal-telegraph employees for an increase of pay, the transfer of the land to the people an eight hour day and the abolition of all restrictions regarding nationalities and religion.

THE COTTON CROP CONTROVERSY

Transferred from the House to the Congressional Record

DIFFERENCE IN THE ESTIMATES

Accuracy of Figures of the Department of Agriculture Attacked by Mr. Lovering—The Inaccuracy Said to be Caused by Variations in the Weight of Bales—Mr. Lovering Was Short in His Supply of Cotton for His Mills.

Washington, December 21.—The cotton crop controversy in the House which was transferred from the floor to "leave to print" in the Congressional Record today, consists of statements by Mr. Lovering, of Massachusetts, and Mr. Burleson, of Texas. Mr. Lovering attacks the accuracy of the estimates of the crop by the department of agriculture in several ways. He says the ginners report issued by the census bureau yesterday shows there has been a gain to December 13 in Georgia, North Carolina, South Carolina, and Oklahoma 183,341 more bales of cotton than the department estimated as the entire crop in this territory, and there is from 6 to 7 weeks more of the ginning season left.

Mr. Lovering makes no criticism of the secretary of agriculture personally nor of officials under him. He has taken the estimates of the cotton crop for the past ten years, compared them with the ascertained crop, and deduces the conclusion that the estimates have been uniformly less than the actual crop to the extent of 7.42 per cent., or a total of 773,400 bales during the whole period.

The reply which Mr. Burleson has filed maintains that the difference between the figures of Mr. Lovering and those of the department vary simply because of the variation in the weight of bales. He says the department announced its estimate of the crop on December 4, in bales of 500 pounds gross weight; that the census bureau makes its preliminary reports in "running bales." Running bales are those actually turned out by the ginners, and according to Mr. Burleson they have different weights in different states. Last year the bales in North Carolina averaged 469 pounds in weight while this year the bales in this state have so far averaged but 450 pounds. Taking this fact into consideration, Mr. Burleson says that if the running bales are reduced to 500 pounds gross weight so as to afford a correct basis for comparison the seeming discrepancy between the ginners' report and the estimate of the department of agriculture is thoroughly explained and in fact that there is nothing to show that the estimate is not substantially correct.

Mr. Burleson makes the statement that Mr. Lovering has candidly confessed that he has personal interest in endeavoring to reduce the price of cotton; that in the beginning of the present cotton season he went on the floor of the New York cotton exchange and predicted that the crop this year would reach 13,000,000 bales.

Mr. Lovering, he says, is one of the largest cotton spinners in the country, and believing the crop would be large has evidently failed to provide himself with sufficient stock for his mills, "hence these tears."

In Mad Chase.

Millions rush in mad chase after health, from one extreme of faddism to another, when, if they would only eat good food, and keep their bowels regular with Dr. King's New Life Pills, their troubles would all pass away. Prompt relief and quick cure for liver and stomach trouble. 25c at R. R. Bellamy's drug store; guaranteed.

TRANSFERS OF PROPERTY

Members of McCurdy Family Make Changes in Deeds of Ownership.

Morristown, N. J., December 21.—Deeds by which Richard A. McCurdy, former president of the Mutual Life Insurance Company and other members of his family have transferred valuable property in this city within the last few days were made public today. Mr. McCurdy and his wife on December 16 and again on December 19, transferred parcels of real estate to their son Robert H. McCurdy. The son on December 19 transferred to his mother his interest in the new McCurdy home, which has been occupied by Richard A. McCurdy and which is said to have cost \$400,000. By this transfer the country house and the surrounding estate was put entirely in Mrs. Richard A. McCurdy's name.

Furious Fighting.

"For seven years," writes George W. Hoffman, of Harper, Wash., "I had a bitter battle, with chronic stomach and liver trouble, but at last won, and cured my diseases, by the use of Electric Bitters. I unhesitatingly recommend them to all, and don't intend in the future to be without them in the house. They are certainly a wonderful medicine, to have cured such a bad case as mine." Sold under guarantee to do the same for you, by R. R. Bellamy, druggist, at 50c a bottle. Try them today.

Death of an Author.

New York, December 21.—The death of Henry Harland, the American author who wrote "The Cardinal's Snuff Box," was announced in a cablegram received from Italy today. His American home was at Norwich, Conn., and he also had a London residence.

Mr. Harland wrote under the pseudonym of Sidney Luska.

Don't drug the stomach to cure a cough. One Minute Cough Cure cuts the mucous, draws the inflammation out of the throat, lungs and bronchial tubes, heals, soothes and cures. A quick cure for Croup and Whooping Cough. Sold by R. R. Bellamy.

NEW PREMIER OUTLINES POLICY

Sir Henry Says Fiscal Question is Prime Issue of Campaign

MAKES BID FOR POPULAR VOTE

The Premier Clearly Avoided the Question of Home Rule for Ireland—Expressions of Sir Henry Campbell-Bannerman Concerning Foreign Relations.

London, December 21.—Sir Henry Campbell-Bannerman's first speech since he accepted the premiership was delivered at Albert hall tonight, before a mass meeting under the auspices of the Liberal Federation.

A feature of Sir Henry's speech was his announcement that the government had decided to stop the importation of Chinese coolies into South Africa until such times as the question for or against such importation could be decided by a South African parliament, elected by popular vote. This was greeted with tremendous enthusiasm, the cheering continuing for fully ten minutes.

Speaking of foreign relations, Sir Henry first expressed his kindly feeling toward Russia in the present trial through which that country was passing. In the case of Germany he said, he saw no reason why a severer course should be pursued. Regarding the United States, France and Japan, the premier accepted the existing conditions and approved everything which tended towards peace.

Sir Henry upheld this announcement with another which elicited great applause. He said that the growth of armaments was a great danger, that force was not the only remedy, and that economy must be adopted. In this, he pointed out, the government had a notable ally in the present fiscal system, which was a great guarantee of peace.

In general terms the premier outlined his policy for retrenchment and for a complete system of government by the people.

In equally general terms he gave notice that most of the domestic cats of the late government would be traversed by the incoming liberal government and he made a powerful bid for the popular vote.

PHILIPPINE TARIFF BILL

Views of Minority Members of Ways and Means Committee Filed.

Washington, December 21.—The views of the minority members of the ways and means committee on the Philippine tariff bill were filed in the House today by Representative John Sharp Williams, of Mississippi, the Democratic floor leader.

The Democrats offer a substitute declaring for absolute free trade between the Philippines and the United States, including Hawaii and Porto Rico, but add that if their substitute is voted down they will support the Republican bill, as it is a "long step in the logical and right direction."

The report says:

"The members of the minority of the committee on ways and means believe that the anomalous and preposterous status of the Philippine Islands, by which they are treated as American territory for certain purposes and as foreign or as semi-foreign territory for certain other purposes—cannot be long maintained and should be immediately terminated."

"The party which we in part represent, desires to get rid of them at the earliest practical moment and we welcome the dissatisfaction of the hitherto legislatively favored classes growing out of the competition of the products of Philippine labor with our own products, in our own market as a possible moving cause to governmental divorce between the Philippine archipelago and the balance of the United States."

Andrew Carnegie prides himself upon the assumption that he is an excellent judge of men. He has shown Schweb and Corey to prove it.—Savannah News.

SALE OF PANAMA BONDS

Treasury Department Does Not Contemplate an Early Issue.

Washington, December 21.—Secretary Shaw today authorized the following statement:

Although the Panama Canal bill, which has just passed Congress, perfected the legislation relating to the sale of Panama bonds and makes it possible to issue them at any time, the treasury department does not contemplate an immediate issue. The appropriation for the Panama canal which has just been made by Congress is coupled with a provision that money paid out of the treasury for such purpose may be reimbursed from the proceeds of bonds hereafter sold. This provision permits the secretary of the treasury to choose his own time for issuing the bonds. At present, conditions for an issue are not so favorable as they are likely to be later on. An immediate sale would withdraw money from channels of trade where it is now needed, equal the amount of the issue.